

WEST CENTRAL COMMUNITY ACTION
INDEPENDENT AUDITOR'S REPORTS
FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2014

WEST CENTRAL COMMUNITY ACTION

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WEST CENTRAL COMMUNITY ACTION

BOARD OF DIRECTORS

Executive Board of Directors

Walter Utman	President
JoAnn Thomas	Vice President
Mark Wedemeyer	Secretary

Board Members

<u>County</u>	<u>Representing</u>		
	<u>Government</u>	<u>Private</u>	<u>Low-Income</u>
Cass	Mark Wedemeyer	Dr. Ken Burkhart	Mindi Hartman
Crawford	Jerry Buller	Cecil Blum Jr.	Dr. Thomas Ward (Resigned September, 2014)
Fremont	Bart Bartholomew	Rayann West	Becky Fichter
Harrison	Walter Utman	Trista Winchester	Joan Martens
Mills	Ron Kohn	Coleen Driscoll	Dr. John Zimmer
Monona	Tim Jessen	Vacant	Richard Swain
Montgomery	Steve Ratcliff	Vacant	JoAnn Thomas
Page	Elaine Armstrong	Margaret Burns	Rose Maxwell
Pottawattamie	Lynn Grobe	Darlene McMartin	Chris Ritter
Shelby	Charles Parkhurst	Bryan Swain	Judith Knapp

Agency Officials

Joel Dirks	Executive Director
Barb English	Fiscal Officer
Dennis Lawson	Human Resource Director
Debra Martens	Child & Adult Care Service Director
Dianne Casto	Interim Head Start/Early Head Start Director
Kelly Mahlberg	Energy/Housing Director
Wendy Mueller	LIHEAP/CSBG Director
Lynne Tremel	WIC Director
Ivy Nielsen	Senior Aide Project Director
Brittany Schoof	Executive Secretary
Mary Cummings	FaDSS Director

The Board of Directors and Officers of West Central Community Action represent each of the counties. The board members shall serve as follows:

- One-third shall be persons who are currently on a Board of Supervisors or their designee and appointed each January by each county board.
- One-third shall be persons who are representatives of business, industry, labor, religious, welfare and education organizations, or other major interest groups. Individuals are nominated by these interest groups and elected by the Organization's Board of Directors to a three year term with no limit on the number of terms they may serve.
- At least one-third shall be persons who, according to federal guidelines, have incomes at or below poverty level and are elected by such persons, or are representatives elected by such persons for a three year term with no limit on the number of terms they may serve.

Gronewold, Bell, Kyhnn & Co. P.C.

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DAVID L. HANNASCH
KENNETH P. TEGELS
CHRISTOPHER J. NELSON
DAVID A. GINTHER

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
West Central Community Action
Harlan, Iowa

Report on the Financial Statements

We have audited the accompanying statement of financial position of West Central Community Action as of September 30, 2014 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with accounting principles generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

To the Board of Directors
West Central Community Action

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West Central Community Action as of September 30, 2014 and the changes in its net assets and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. We previously audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the year ended September 30, 2013 (which are not presented herein) and expressed an unmodified opinion on those financial statements. The supplementary information included on page 1 and on Schedules 1 through 22, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with Government Auditing Standards, we have also issued our report dated January 27, 2015 on our consideration of West Central Community Action's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering West Central Community Action's internal control over financial reporting and compliance.

Donald, Bell, Hughes & Co. P.C.

Atlantic, Iowa
January 27, 2015

WEST CENTRAL COMMUNITY ACTION
Statement of Financial Position
All Funds
September 30, 2014

ASSETS	Administrative Fund	Program Funds	Plant Fund	Total
Cash	\$ 1,284,402	\$ --	\$ --	\$ 1,284,402
Investments	327,541	43,954	--	371,495
Accrued interest receivable	389	--	--	389
Receivables:				
Grantor agencies	--	1,073,508	--	1,073,508
Other sources	31,474	--	--	31,474
Due from other funds	--	47,535	--	47,535
Property and equipment at cost, less accumulated depreciation of \$2,191,067	--	--	2,793,979	2,793,979
Total Assets	<u>\$ 1,643,806</u>	<u>\$ 1,164,997</u>	<u>\$ 2,793,979</u>	<u>\$ 5,602,782</u>
LIABILITIES AND NET ASSETS				
Liabilities				
Payables:				
Accounts	\$ 71,014	\$ 290,667	\$ --	\$ 361,681
Due to other funds	47,535	--	--	47,535
Accrued salaries and benefits	47,997	308,657	--	356,654
Compensated absences	334,319	--	--	334,319
Advances from grantors and others	24,610	187,084	--	211,694
Notes payable	749,061	--	--	749,061
Total Liabilities	1,274,536	786,408	--	2,060,944
Net Assets				
Unrestricted	369,270	--	1,394,608	1,763,878
Temporarily restricted by grantor agencies	--	378,589	1,399,371	1,777,960
Total Net Assets	<u>369,270</u>	<u>378,589</u>	<u>2,793,979</u>	<u>3,541,838</u>
Total Liabilities and Net Assets	<u>\$ 1,643,806</u>	<u>\$ 1,164,997</u>	<u>\$ 2,793,979</u>	<u>\$ 5,602,782</u>

See notes to financial statements.

WEST CENTRAL COMMUNITY ACTION
Statement of Activities
All Funds
Year Ended September 30, 2014

	Administrative Fund	Program Funds	Plant Fund	Total
Revenues:				
Governmental Funding Sources:				
Iowa Dept. of Human Rights	\$ --	\$ 5,166,836	\$ --	\$ 5,166,836
U.S. Dept. of Health & Human Services	--	4,989,483	--	4,989,483
Iowa Dept. of Public Health	--	430,196	--	430,196
Iowa Dept. of Education	--	1,235,089	--	1,235,089
Iowa Dept. of Human Services	--	1,218,496	--	1,218,496
Various	--	1,236,998	--	1,236,998
In-Kind Contributions	--	2,195,342	--	2,195,342
Public Support and Contributions	41,471	136,879	--	178,350
Co-funding	--	397,384	--	397,384
Investment in Plant	--	--	70,443	70,443
Investment Income	2,883	60	--	2,943
Gain on Sale of Equipment	--	5,614	--	5,614
Miscellaneous	112,897	198,038	--	310,935
Total Revenues	157,251	17,210,415	70,443	17,438,109
Expenses:				
Head Start	--	6,247,987	--	6,247,987
Community Services Block Grant (CSBG)	--	397,384	--	397,384
Child and Adult Care Food Program (CACFP)	--	1,251,723	--	1,251,723
Women, Infants and Children (WIC)	--	430,777	--	430,777
Low-Income Home Energy Assistance Program (LIHEAP)	--	3,389,081	--	3,389,081
Weatherization Assistance	--	732,420	--	732,420
Senior Community Services	--	517,082	--	517,082
Wrap Around Child Care	--	603,996	--	603,996
Child Care Resource & Referral (CCR&R)	--	764,769	--	764,769
Family Development	--	432,057	--	432,057
Early Childhood Iowa	--	318,191	--	318,191
Outreach	--	1,314,702	--	1,314,702
Other Programs	--	731,098	--	731,098
Administration	96,034	--	--	96,034
Depreciation	--	--	323,028	323,028
Total Expenses	96,034	17,131,267	323,028	17,550,329
Change in Net Assets	61,217	79,148	(252,585)	(112,220)
Net Assets - Beginning of Year	308,053	299,441	3,046,564	3,654,058
Net Assets - End of Year	\$ 369,270	\$ 378,589	\$ 2,793,979	\$ 3,541,838

See notes to financial statements.

WEST CENTRAL COMMUNITY ACTION
Statement of Functional Expenses
Administrative Fund and Program Funds
Year Ended September 30, 2014

	Administrative Fund	Program Funds	Total
Salaries and wages	\$ 423,317	\$ 5,084,459	\$ 5,507,776
Fringe benefits	106,852	1,497,630	1,604,482
Assistance to individuals	978	5,215,916	5,216,894
Professional fees	36,358	85,234	121,592
Travel	14,858	232,452	247,310
Occupancy	65,201	606,179	671,380
Utilities and telephone	18,666	196,772	215,438
Supplies and materials	25,817	533,130	558,947
Building and equipment	21,221	53,858	75,079
Printing, publications, and postage	45,634	108,211	153,845
Insurance	18,002	86,932	104,934
Interest expense	12,446	21,165	33,611
Co-funding	--	397,384	397,384
In-Kind:			
Labor	--	473,189	473,189
Materials and other	--	1,722,153	1,722,153
Miscellaneous	11,585	111,702	123,287
Total Expenses before Allocation of Indirect Costs	800,935	16,426,366	17,227,301
Allocation of Indirect Costs	(704,901)	704,901	--
Total Expenses	<u>\$ 96,034</u>	<u>\$ 17,131,267</u>	<u>\$ 17,227,301</u>

See notes to financial statements.

WEST CENTRAL COMMUNITY ACTION
Statement of Cash Flows
Year Ended September 30, 2014

Cash flows from operating activities:	
Cash received from State agencies	\$ 8,049,095
Cash received from Federal grantors	4,920,828
Contributions received	178,350
Investment income	2,915
Other receipts	1,556,513
Cash paid to employees and suppliers	(14,304,194)
Interest paid	(33,611)
Net cash provided by operating activities	<u>369,896</u>
Cash flows from investing activities:	
Change in investments	(7,955)
Payments to acquire property and equipment	(70,443)
Proceeds on sale of equipment	5,614
Net cash used in investing activities	<u>(72,784)</u>
Cash flows from financing activities:	
Payments on notes payable	<u>(78,230)</u>
Net increase in cash and cash equivalents	218,882
Cash and cash equivalents at beginning of year	<u>1,109,474</u>
Cash and cash equivalents at end of year	<u>\$ 1,328,356</u>
Reconciliation of cash and cash equivalents to the balance sheet:	
Cash	\$ 1,284,402
Cash and cash equivalents in investments	<u>43,954</u>
	<u>\$ 1,328,356</u>

(continued next page)

WEST CENTRAL COMMUNITY ACTION
Statement of Cash Flows - Continued
Year Ended September 30, 2014

Reconciliation of change in net assets to net cash provided by operating activities:	
Change in net assets	\$(112,220)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	323,028
Gain on sale of equipment	(5,614)
Changes in assets and liabilities:	
Interest receivable	(28)
Accounts receivable	(62,117)
Accounts payable	166,157
Accrued salaries and benefits	29,281
Compensated absences	6,279
Advances from grantors and others	25,130
Total adjustments	<u>482,116</u>
Net cash provided by operating activities	<u>\$ 369,896</u>

See notes to financial statements.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

West Central Community Action (the Agency), a not-for-profit corporation, is a community action agency that serves the Iowa counties of Cass, Crawford, Fremont, Harrison, Mills, Monona, Montgomery, Page, Pottawattamie, and Shelby. West Central Community Action is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and a similar section of the Iowa income tax law which provide tax exemption for corporations organized and operated exclusively for religious, charitable or educational purposes. The Agency is required to file a Form 990 (which is subject to audit by the Internal Revenue Service) annually, to maintain its exempt status. The Agency's open audit periods are for years ended September 30, 2011 through 2014.

West Central Community Action administers various programs funded by Federal, State and local governmental bodies. Each program is accounted for as a separate fund. As indicated on Exhibit B, the Agency received approximately 75% of its revenues from five governmental funding sources. The Agency has renewed substantially all of these governmental funding sources for fiscal year October 1, 2014 to September 30, 2015.

The Agency's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Financial Accounting Standards Board for non-profit corporations.

B. Fund Accounting

The accounts of West Central Community Action are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, net assets, revenues and expenses. The various funds are summarized as follows in the financial statements:

Administrative Fund - The Administrative Fund represents funds derived from local sources such as donations and miscellaneous activities. The Agency's overall management and administrative expenses are charged to the Indirect Fund, which is part of the Administrative Fund and then allowable indirect costs are allocated to the various programs which the Agency administers.

Program Funds - Program Funds are used to account for the revenues and expenses that are contractually restricted by the funding source for specific purposes.

Plant Fund - The Plant Fund is used to accumulate the net investment in fixed assets and to account for the unexpended resources contributed specifically for the purpose of acquiring fixed assets for the Agency.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Revenues are recognized when earned and expenses are recorded when the liability is incurred.

Purchases of property and equipment providing future benefits are recorded as expenses in the program at the time of purchase and capitalized in the plant fund.

D. Basis of Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Agency and changes therein are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Temporarily restricted net assets are those whose use by the Agency has been limited by grantor agencies to a specific time period or purpose.

Revenues and expenses are reported as increases or decreases in unrestricted net assets unless use of the related assets is limited by donor- or grantor-imposed restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

E. Assets, Liabilities and Net Assets

The following accounting policies are followed in preparing the combined statement of financial position:

Cash and Cash Equivalents - The Agency considers demand deposits and all other highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments - Investments are stated at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the excess of revenues over expenses (expenses over revenues) unless the income or loss is restricted by donor or law. Unrealized gains or losses are recorded in investment income (loss) on trading securities and as a change in net assets on available for sale and held to maturity securities.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Receivables from Grantor Agencies - Reimbursement procedures used for grants and contracts may result in timing differences between program reimbursements and expenditures as of the beginning and end of the year. Receivables from Grantor Agencies represent an excess of expenditures over cash basis reimbursements at year end.

All receivables are considered fully collectible. Accordingly, no provision for uncollectible amounts has been recorded.

Receivables/Payables from Other Funds - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. To the extent that certain transactions between funds had not been paid or received as of September 30, 2014, balances of interfund amounts receivable or payable have been recorded.

Prepaid Expenses - Prepaid expenses consist of the unexpired portion of insurance premiums for Agency auto, liability, property damage, and worker's compensation coverage. There were no material prepaid expenses as of September 30, 2014.

Property and Equipment - Property and equipment are valued at historical cost or estimated cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date of donation.

Property and equipment purchased are recorded as expenses in the fund purchasing the asset. The purchases are then capitalized in the plant fund accumulating the net investment in fixed assets. Depreciation has been provided in the plant fund using the straight-line method over the estimated useful lives of the respective assets, generally 5 to 40 years. The depreciated cost of the property and equipment does not purport to be either a realizable value or a replacement value.

Expenses for maintenance, repairs and minor replacements are charged to the current year, while the cost for major replacements and betterments are capitalized into the Plant Fund. The cost of assets disposed of is deleted. No interest costs were capitalized during the year ended September 30, 2014.

Advances from Grantors - Advances from grantors represents an excess of cash advances by the funding source over accrued expenses at year end.

Compensated Absences - Employees of the Agency accumulate a limited amount of earned but unused vacation payable to employees. Amounts representing the cost of compensated absences are recorded as liabilities of the Administrative Fund. This liability has been computed based on rates of pay in effect at September 30, 2014.

Advertising and Promotion Costs - Advertising and promotion costs are expensed as they are incurred. Advertising and promotion costs totaled \$39,977 during the year ended September 30, 2014.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

F. In-Kind Contributions

The Agency recognizes donated labor, services, materials and rent-free or rent-reduced usage of facilities and equipment as in-kind revenues at the time the services and materials are received. These in-kind contributions and the corresponding expense are valued at their estimated fair market value and recognized in the financial statements in accordance with grant requirements.

G. Total Column

The total column on the combined statements of financial position, activities, and functional expenses is presented only to facilitate financial analysis. Data in these columns does not present financial position or results of operations in conformity with accounting principles generally accepted in the United States of America. Neither is such data comparable to a consolidation.

H. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

I. Prospective Accounting Change

The Governmental Accounting Standards Board has issued Statement No. 68 "*Accounting and Financial Reporting for Pensions - an Amendment of GASB No. 27.*" This statement will be implemented for the fiscal year ending September 30, 2015. The revised requirements establish new financial reporting requirements for state and local governments which provide their employees with pension benefits, including additional note disclosures and required supplementary information. In addition, the Statement of Financial Position is expected to include a significant liability for the Agency's proportionate share of the Iowa Public Employees Retirement System pension plan.

NOTE 2 - INDIRECT COST RATE AGREEMENT

West Central Community Action entered into an Indirect Cost Rate Agreement with their cognizant agency, Department of Health and Human Services, setting a predetermined Indirect Cost Rate of 10.7% from October 1, 2012 to September 30, 2015. The Indirect Cost allowed is calculated by multiplying the approved rate (10.7%) times the allocation base. The allocation base is the Agency's direct salaries and wages, including fringe benefits and is applicable to all programs. The use of the Indirect Cost Rate allows for an allocation process of the Agency's costs that are incurred for common or joint objectives and, therefore, cannot be readily and specifically identified with a particular project or activity.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2014

NOTE 3 - DEPOSITS AND INVESTMENTS

The Agency's deposits at September 30, 2014 were entirely covered by Federal depository insurance, collateralized with securities or letters of credit held by the Agency or the Agency's agent in the Agency's name, or by a multiple financial institution collateral pool in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

Investments are stated as indicated in Note 1. All cash and certificates of deposit are considered deposits and, therefore, not subject to market value fluctuations. The composition of investments is as set forth below:

Cash and cash equivalents	\$ 43,954
Certificates of deposit	<u>327,541</u>
	<u>\$ 371,495</u>

Investment income is composed entirely of interest income for the year ended September 30, 2014.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2014

NOTE 4 - PROPERTY AND EQUIPMENT

A summary of property and equipment comprising the plant fund at September 30, 2014, categorized by acquiring program/source, is as follows:

<u>Acquiring Program/Source</u>	<u>Land and Buildings</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Total</u>
General Agency	\$ 344,502	\$ --	\$ 2,992	\$ 347,494
Shelby County Early Childhood Center	1,224,249	--	44,598	1,268,847
Harlan Administrative Building	378,088	--	57,571	435,659
Head Start	71,161	381,409	589,676	1,042,246
Child Care Resource & Referral	--	--	97,923	97,923
PCE Empowerment	--	--	8,172	8,172
CSBG	--	--	16,356	16,356
Family Development	--	--	10,270	10,270
Women, Infants and Children	--	84,384	8,745	93,129
Senior Aides	--	--	3,078	3,078
LIHEAP	--	--	18,732	18,732
Weatherization - HEAP	--	17,817	35,050	52,867
Early Head Start ARRA	996,389	295,680	211,548	1,503,617
Early Head Start	--	--	17,527	17,527
Early Head Start - State	--	--	2,155	2,155
Weatherization - DOE ARRA	--	34,510	18,743	53,253
Weatherization Pool	--	--	2,030	2,030
Indirect Cost Pool	--	--	11,691	11,691
Total Cost	3,014,389	813,800	1,156,857	4,985,046
Less Accumulated Depreciation	(735,984)	(796,493)	(658,590)	(2,191,067)
Net	<u>\$2,278,405</u>	<u>\$ 17,307</u>	<u>\$ 498,267</u>	<u>\$ 2,793,979</u>

The components of the Agency's accumulated depreciation at September 30, 2014 are as follows:

	<u>Buildings</u>	<u>Vehicles</u>	<u>Equipment</u>	<u>Total</u>
Balance Beginning of Year	\$ 638,103	\$ 734,380	\$ 618,720	\$ 1,991,203
Current Year Depreciation	97,881	108,061	117,086	323,028
Less Disposals	--	(45,948)	(77,216)	(123,164)
Balance End of Year	<u>\$ 735,984</u>	<u>\$ 796,493</u>	<u>\$ 658,590</u>	<u>\$ 2,191,067</u>

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2014

NOTE 5 - NOTES PAYABLE

Notes payable consist of the following at September 30, 2014:

Note payable to bank	\$ 256,967
Note payable to U.S. Department of Agriculture (USDA)	456,545
Note payable to U.S. Department of Agriculture (USDA)	<u>35,549</u>
	<u>\$ 749,061</u>

The bank note payable of \$256,967 is payable in monthly installments of \$2,268, which consists of principal and interest computed at 4.19% per annum through October, 2026. The note is secured by a mortgage agreement on a commercial building owned and occupied by the Agency.

The note payable to the USDA of \$456,545 is payable in monthly installments of \$2,300, which consists of principal and interest computed at 4.25% per annum through May, 2043. The note is secured by a mortgage agreement on a commercial building owned and occupied by the Agency.

The note payable to the USDA of \$35,549 is payable in monthly installments of \$373, which consists of principal and interest computed at 4.25% per annum through June, 2024. The note is secured by a mortgage agreement on a commercial building owned and occupied by the Agency.

The principal and interest payments required on the notes payable for the next five and subsequent years are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 28,009	\$ 31,283	\$ 59,292
2016	29,138	30,154	59,292
2017	30,484	28,808	59,292
2018	31,805	27,487	59,292
2019	33,183	26,109	59,292
2020-2043	<u>596,442</u>	<u>269,969</u>	<u>866,411</u>
	<u>\$ 749,061</u>	<u>\$ 413,810</u>	<u>\$ 1,162,871</u>

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2014

NOTE 6 - LEASE COMMITMENT

West Central Community Action leases office space under operating leases which may be canceled by either party by giving written notice ranging from thirty to ninety days of their intention to vacate the lease. The Agency also leases copy machines and mailing systems under non-cancelable operating leases expiring through March, 2017.

Rental expense under all non-cancelable operating leases for the year ended September 30, 2014 totaled approximately \$16,300.

NOTE 7 - PENSION AND RETIREMENT BENEFITS

Iowa Public Employees Retirement System

The Agency contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 5.95% of their annual salary and the Agency is required to contribute 8.93% of annual covered payroll. Contribution requirements are established by State statute. The Agency's contributions to IPERS for the years ended September 30, 2014, 2013, and 2012 were approximately \$408,900, \$395,000, and \$374,000 respectively, equal to the required contribution for that year.

Tax-Sheltered Annuity

The Agency has established a tax-sheltered annuity arrangement. The plan is available to all employees who normally work more than 20 hours per week.

Under the terms of the plan, the Agency makes a matching contribution up to the current IPERS rate (see above for rates) of the annual salary for each employee participating in the plan who elected not to participate in IPERS when the Agency began contributing to IPERS. Amounts credited to individual participants are 100 percent vested immediately. The accumulated monies are paid upon a participant's retirement or termination.

For the year ended September 30, 2014, the Agency's contributions amounted to \$10,333.

WEST CENTRAL COMMUNITY ACTION
Notes to Financial Statements
September 30, 2014

NOTE 8 - COUNTY CONTRIBUTIONS

The Agency received county support totaling \$40,850 in fiscal year 2014 which is included in public support and contributions in the administrative fund. The following table shows the breakdown of the county contributions.

Cass County	\$ 3,500
Crawford County	3,000
Fremont County	3,500
Harrison County	4,350
Mills County	2,500
Monona County	2,000
Montgomery County	3,000
Page County	3,500
Pottawattamie County	13,000
Shelby County	2,500
	<hr/>
	\$ 40,850

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Federal Assistance Grants

West Central Community Action receives a significant portion of its revenues from government grants and contracts, all of which are subject to audit by the federal government. The ultimate determination of amounts received under these programs generally is based upon allowable costs reported to and audited by the government. Until such audits have been completed and final settlement reached, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits, therefore no liability is accrued on these financial statements.

Agency Risk Management

West Central Community Action is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

Subsequent Event

The Agency has evaluated all subsequent events through January 27, 2015, the date the financial statements were available to be issued.

* * *

SUPPLEMENTAL INFORMATION

WEST CENTRAL COMMUNITY ACTION
Schedule of Activities - Program Funds
Year Ended September 30, 2014

	Head Start - Early Head Start	CSBG
Revenues:		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ --	\$ 397,384
U.S. Department of Health and Human Services	4,989,483	--
Iowa Department of Public Health	--	--
Iowa Department of Education	--	--
Iowa Department of Human Services	--	--
Various	139,520	--
In-Kind Contributions	1,094,387	--
Public Support and Contributions	10,000	--
Co-funding	--	--
Investment income	--	--
Gain on sale of equipment	5,614	--
Miscellaneous	8,983	--
	<hr/>	<hr/>
Total Revenues	6,247,987	397,384
Expenses:		
Salaries and wages	2,831,554	--
Fringe benefits	881,157	--
Assistance to individuals	399	--
Professional fees	83,599	--
Travel	132,445	--
Occupancy	219,596	--
Utilities and telephone	76,737	--
Supplies and materials	348,969	--
Buildings and equipment	35,886	--
Printing, publications and postage	42,996	--
Insurance	58,047	--
Interest expense	--	--
Miscellaneous	44,955	--
Co-Funding	--	397,384
In-Kind:		
Labor	343,743	--
Materials and other	750,644	--
	<hr/>	<hr/>
Total Expenses Before Allocation of Indirect Costs	5,850,727	397,384
Allocation of Indirect Costs	397,260	--
	<hr/>	<hr/>
Total Expenses	6,247,987	397,384
Excess of Revenues Over Expenses	--	--
Net Assets at Beginning of Year	--	--
	<hr/>	<hr/>
Net Assets at End of Year	\$ --	\$ --

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<u>CACFP Homes</u>	<u>CACFP Centers</u>	<u>WIC</u>	<u>LIHEAP</u>
\$ --	\$ --	\$ --	\$ 3,377,180
--	--	--	--
--	--	430,196	--
964,428	270,661	--	--
--	--	--	--
--	--	429	--
--	--	--	--
--	--	--	11,901
16,634	--	152	--
--	--	--	--
--	--	--	--
--	--	--	--
981,062	270,661	430,777	3,389,081
98,539	--	212,159	189,783
30,394	--	66,178	53,001
819,768	270,661	--	3,032,020
--	--	--	--
3,112	--	17,958	3,467
5,223	--	28,774	40,155
838	--	10,118	3,024
2,350	--	57,439	19,447
--	--	--	2,773
3,347	--	4,565	18,385
--	--	2,833	--
--	--	--	--
3,695	--	971	1,048
--	--	--	--
--	--	--	--
967,266	270,661	400,995	3,363,103
13,796	--	29,782	25,978
981,062	270,661	430,777	3,389,081
--	--	--	--
--	--	--	--
\$ --	\$ --	\$ --	\$ --

WEST CENTRAL COMMUNITY ACTION
Schedule of Activities - Program Funds - Continued
Year Ended September 30, 2014

	<u>HEAP</u>	<u>Department of Energy</u>
Revenues:		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ 372,367	\$ 312,040
U.S. Department of Health and Human Services	--	--
Iowa Department of Public Health	--	--
Iowa Department of Education	--	--
Iowa Department of Human Services	--	--
Various	--	--
In-Kind Contributions	--	--
Public Support and Contributions	--	--
Co-funding	--	--
Investment income	--	--
Gain on sale of equipment	--	--
Miscellaneous	--	--
	<hr/>	<hr/>
Total Revenues	372,367	312,040
Expenses:		
Salaries and wages	--	--
Fringe benefits	--	--
Assistance to individuals	361,640	312,040
Professional fees	--	--
Travel	--	--
Occupancy	--	--
Utilities and telephone	--	--
Supplies and materials	--	--
Buildings and equipment	545	--
Printing, publications and postage	--	--
Insurance	4,495	--
Interest expense	--	--
Miscellaneous	5,687	--
Co-Funding	--	--
In-Kind:		
Labor	--	--
Materials and other	--	--
	<hr/>	<hr/>
Total Expenses Before Allocation of Indirect Costs	372,367	312,040
Allocation of Indirect Costs	<hr/>	<hr/>
Total Expenses	372,367	312,040
Excess of Revenues Over Expenses	--	--
Net Assets at Beginning of Year	<hr/>	<hr/>
Net Assets at End of Year	<u>\$ --</u>	<u>\$ --</u>

(continued next page)

Schedule 1

<u>Utility Company</u>	<u>Senior Community Services</u>	<u>Wrap Around</u>	<u>Child Care Resource and Referral</u>
\$ 312,170	\$ --	\$ --	\$ --
--	--	--	--
--	--	--	--
--	--	--	--
--	--	603,996	614,500
--	439,891	--	--
--	79,176	--	149,574
--	--	--	--
--	(2,025)	--	--
--	--	--	--
--	--	--	--
--	40	--	695
312,170	517,082	603,996	764,769
--	339,830	331,222	299,400
--	43,407	103,758	83,098
312,170	--	--	59,620
--	--	--	1,635
--	5,522	4,702	23,273
--	2,810	67,008	31,824
--	1,579	14,326	10,340
--	1,844	33,464	18,345
--	--	133	3,090
--	1,835	881	16,339
--	--	1,873	2,633
--	--	--	--
--	73	86	24,671
--	--	--	--
--	5,861	--	12,915
--	73,315	--	136,659
312,170	476,076	557,453	723,842
--	41,006	46,543	40,927
312,170	517,082	603,996	764,769
--	--	--	--
--	--	--	--
\$ --	\$ --	\$ --	\$ --

WEST CENTRAL COMMUNITY ACTION
Schedule of Activities - Program Funds - Continued
Year Ended September 30, 2014

	Family Development and Self- Sufficiency	Early Childhood Iowa
Revenues:		
Governmental Funding Sources:		
Iowa Department of Human Rights	\$ 395,695	\$ --
U.S. Department of Health and Human Services	--	--
Iowa Department of Public Health	--	--
Iowa Department of Education	--	--
Iowa Department of Human Services	--	--
Various	--	318,191
In-Kind Contributions	35,862	--
Public Support and Contributions	--	--
Co-funding	--	--
Investment income	--	--
Gain on sale of equipment	--	--
Miscellaneous	500	--
	<hr/>	<hr/>
Total Revenues	432,057	318,191
Expenses:		
Salaries and wages	232,413	58,257
Fringe benefits	72,000	23,167
Assistance to individuals	35	184,298
Professional fees	--	--
Travel	16,444	1,730
Occupancy	15,190	17,054
Utilities and telephone	3,279	64
Supplies and materials	12,246	2,170
Buildings and equipment	3,479	294
Printing, publications and postage	2,291	321
Insurance	1,675	430
Interest expense	--	--
Miscellaneous	4,571	21,694
Co-Funding	--	--
In-Kind:		
Labor	5,861	--
Materials and other	30,001	--
	<hr/>	<hr/>
Total Expenses Before Allocation of Indirect Costs	399,485	309,479
Allocation of Indirect Costs	32,572	8,712
	<hr/>	<hr/>
Total Expenses	432,057	318,191
Excess of Revenues Over Expenses	--	--
Net Assets at Beginning of Year	--	--
Net Assets at End of Year	\$ --	\$ --

See accompanying independent auditor's report.

<u>Outreach</u>	<u>Other</u>	<u>Elimination of Internal Agency Amounts</u>	<u>Total</u>
\$ --	\$ --	\$ --	\$ 5,166,836
--	--	--	4,989,483
--	--	--	430,196
--	--	--	1,235,089
--	--	--	1,218,496
--	338,967	--	1,236,998
828,609	7,734	--	2,195,342
--	114,978	--	136,879
378,469	4,154	--	397,384
--	60	--	60
--	--	--	5,614
<u>107,624</u>	<u>344,353</u>	<u>(264,157)</u>	<u>198,038</u>
1,314,702	810,246	(264,157)	17,210,415
206,196	285,106	--	5,084,459
58,718	82,752	--	1,497,630
--	127,422	(264,157)	5,215,916
--	--	--	85,234
5,722	18,077	--	232,452
114,781	63,764	--	606,179
49,141	27,326	--	196,772
9,154	27,702	--	533,130
4,002	3,656	--	53,858
6,370	10,881	--	108,211
3,663	11,283	--	86,932
--	21,165	--	21,165
--	4,251	--	111,702
--	--	--	397,384
98,797	6,012	--	473,189
<u>729,812</u>	<u>1,722</u>	<u>--</u>	<u>1,722,153</u>
1,286,356	691,119	(264,157)	16,426,366
<u>28,346</u>	<u>39,979</u>	<u>--</u>	<u>704,901</u>
<u>1,314,702</u>	<u>731,098</u>	<u>(264,157)</u>	<u>17,131,267</u>
--	79,148	--	79,148
--	299,441	--	299,441
<u>\$ --</u>	<u>\$ 378,589</u>	<u>\$ --</u>	<u>\$ 378,589</u>

WEST CENTRAL COMMUNITY ACTION
Schedule of Expenditures of Federal Awards
Year Ended September 30, 2014

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	Grant or Program Number
U.S. Department of Health and Human Services		
Direct Programs		
Head Start Program	93.600	07CH6020/47
Head Start Program	93.600	07CH7064/01
Early Head Start	93.600	07CH6020/47
Early Head Start	93.600	07CH7064/01
Indirect Programs		
Passed through Promise Partners		
Maternal, Infant, Early Childhood Home Visiting Program	93.505	5883CH11-EHS
Maternal, Infant, Early Childhood Home Visiting Program	93.505	5883CH11-EHS
Passed through MDRC		
Mother & Infant Home Visiting Program Evaluation	93.505	HHSP23320095644WC
Passed through Iowa Community Action Association		
Affordable Care Act Community Outreach Campaign	93.525	IID-ACA-13-14
Passed through Iowa Department of Human Rights		
Family Development and Self-Sufficiency Program	93.558	FaDSS-14-17
Family Development and Self-Sufficiency Program	93.558	FaDSS-15-17
Low Income Home Energy Assistance Program		
Weatherization Assistance Program	93.568	LIHEAP 14-17
Weatherization Assistance Program	93.568	HEAP-13-17
Weatherization Assistance Program	93.568	HEAP-14-17
Community Service Block Grant		
Community Service Block Grant	93.569	CSBG-13-17
Community Service Block Grant	93.569	CSBG-14-17
Passed through Iowa Department of Human Services		
Wrap Around Grant	93.575	DCFS 09-089-34
Wrap Around Grant	93.575	ACFS-15-117
Child Care Resource & Referral Grant	93.575	ACFS 12-095
Child Care Resource & Referral Grant	93.575	ACFS 12-095
Passed through Cass/Mills/Montgomery Early Childhood Iowa		
Child Care and Development Block Grant	93.575	CMMSFY 2014
Passed through Pottawattamie Early Childhood Iowa		
Child Care and Development Block Grant	93.575	PPEC-2014
Passed through Fremont/Page (Corner Counties)		
Early Childhood Iowa		
Child Care and Development Block Grant	93.575	CCEC-2014

Total U.S. Department of Health and Human Services

(continued next page)

<u>Period of Grant</u>	<u>Federal Expenditures</u>
02/01/13 - 01/31/14	\$ 1,424,422
02/01/14 - 01/31/15	2,208,249
02/01/13 - 01/31/14	459,247
02/01/14 - 01/31/15	<u>897,565</u>
	4,989,483
03/31/13 - 03/30/14	85,511
03/31/14 - 03/30/15	79,173
09/05/13 - 06/30/16	<u>2,064</u>
	166,748
12/20/13 - 04/30/14	30,092
07/01/13 - 09/30/14	145,972
07/01/14 - 06/30/15	<u>42,129</u>
	188,101
10/01/13 - 09/30/14	3,377,180
01/01/13 - 12/31/13	34,470
01/01/14 - 12/31/14	<u>337,897</u>
	3,749,547
10/01/12 - 09/30/14	51,862
10/01/13 - 12/31/14	<u>345,522</u>
	397,384
09/01/13 - 08/31/14	586,965
09/01/14 - 08/31/15	17,031
07/01/13 - 06/30/14	384,709
07/01/14 - 06/30/15	135,233
07/01/13 - 06/30/14	43,612
07/01/13 - 06/30/14	59,683
07/01/13 - 06/30/14	<u>25,225</u>
	<u>1,252,458</u>
	10,773,813

WEST CENTRAL COMMUNITY ACTION
Schedule of Expenditures of Federal Awards - Continued
Year Ended September 30, 2014

Federal Grantor/Pass-through Grantor/Program Title	CFDA Number	Grant or Program Number
U.S. Department of Housing & Urban Development Indirect Program Passed through Iowa Community Action Association Tenant Based Rent Assistance	14.239	13P-763
<i>Total U.S. Department of Housing & Urban Development</i>		
U.S. Department of Labor Indirect Programs Passed through Senior Service America, Inc. Senior Community Service Employment Program Senior Community Service Employment Program	17.235 17.235	AD-24194-13-55-A-24 AD-25533-14-55-A-24
<i>Total U.S. Department of Labor</i>		
U.S. Department of Agriculture Indirect Programs Passed through Iowa Department of Public Health Special Supplemental Nutrition Program for Women, Infants and Children Special Supplemental Nutrition Program for Women, Infants and Children	10.557 10.557	5884A048 5884A048
Passed through Iowa Department of Education Child and Adult Care Food Program (Homes) Child and Adult Care Food Program Team Nutrition (Homes) Child and Adult Care Food Program (Centers)	10.558 10.558 10.558	83-8011 83-8011 83-8010
Passed through Iowa Department of Agriculture & Land Stewardship Farmers Market	10.572	WCCA 48
<i>Total U.S. Department of Agriculture</i>		
U.S. Department of Energy Indirect Programs Passed through Iowa Department of Human Rights Weatherization Assistance for Low-Income Persons Weatherization Assistance for Low-Income Persons	81.042 81.042	DOE-13-17 DOE-14-17
<i>Total U.S. Department of Energy</i>		
Total Expenditures of Federal Awards		
<i>Total Direct Programs</i>		
<i>Total Indirect Programs</i>		

Basis of Presentation - The Schedule of Expenditures of Federal Awards includes the federal grant activity of West Central Community Action, and is presented on the accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

See accompanying independent auditor's report.

<u>Period of Grant</u>	<u>Federal Expenditures</u>
10/01/13 - 06/01/15	\$ <u>30,871</u>
	30,871
07/01/13 - 06/30/14	347,242
07/01/14 - 06/30/15	<u>92,649</u>
	439,891
10/01/13 - 09/30/14	420,629
10/01/13 - 09/30/14	<u>9,567</u>
	430,196
10/01/13 - 09/30/14	964,228
10/01/13 - 09/30/14	200
10/01/13 - 09/30/14	<u>270,661</u>
	1,235,089
05/01/11 - 12/31/14	<u>429</u>
	1,665,714
08/01/13 - 03/31/14	150,345
04/01/14 - 03/31/15	<u>161,695</u>
	<u>312,040</u>
	<u>\$ 13,222,329</u>
	\$ 4,989,483
	\$ 8,232,846

Outstanding Federal Loans - In addition to the above Expenditures of Federal Awards, the Agency had outstanding loans of \$492,094 through the United States Department of Agriculture at September 30, 2014.

WEST CENTRAL COMMUNITY ACTION
U.S. Department of Health and Human Services

Head Start/Early Head Start Grant No. 07CH6020/47
Schedule of Expenditure Comparison - Budget to Actual
For the Period from February 1, 2013 to January 31, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Personnel	\$ 2,844,065	\$ 2,675,225
Fringe benefits	1,084,744	909,933
Travel/mileage/vehicle expense	28,965	8,123
Equipment	--	--
Supplies	299,862	336,581
Contractual	63,295	56,796
Construction	--	--
Other	660,132	556,732
Indirect	<u>420,382</u>	<u>383,612</u>
Total Expenditures	5,401,445	4,927,002
In-Kind:		
Space	105,000	137,406
Professional volunteers	80,000	65,121
Non-professional volunteers	185,000	278,470
Mileage	5,361	7,227
Materials	25,000	408,601
Non Federal cash match	--	3,700
Pre K collaborations/Early Childhood Iowa	<u>100,000</u>	<u>176,357</u>
Total In-Kind	<u>500,361</u>	<u>1,076,882</u>
Total Expenditures and In-Kind	5,901,806	6,003,884
Less:		
In-Kind	500,361	1,076,882
Other revenue	<u>--</u>	<u>180,910</u>
Net Grant Expenditure	<u>\$ 5,401,445</u>	<u>\$ 4,746,092</u>

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WEST CENTRAL COMMUNITY ACTION
U.S. Department of Health and Human Services

Head Start/Early Head Start Grant No. 07CH6020/47
Schedule of Expenditure Comparison - Budget to Actual - Continued
For the Period from February 1, 2013 to January 31, 2014

Summary by Functional Category

	<u>Budget</u>	<u>Percentage of Actual</u>	<u>Actual</u>
Administration	\$ 589,477	10.39%	\$ 604,933
T/TA	88,834	1.04%	60,423
Program operations	4,723,134	70.08%	4,080,736
Other revenue	--	3.11%	180,910
In-Kind	<u>500,361</u>	<u>18.49%</u>	<u>1,076,882</u>
Total Expenditures	5,901,806	103.11%	6,003,884
Less:			
Other revenue	--	3.11%	180,910
Net before in-kind	<u>5,901,806</u>	<u>100.00%</u>	<u>5,822,974</u>
Less in-kind	<u>500,361</u>		<u>1,076,882</u>
Net Grant Expenditure	<u>\$ 5,401,445</u>		<u>\$ 4,746,092</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Community Service Block Grant CSBG 13-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2012 to September 30, 2014

	<u>Budget</u>	<u>Actual</u>
Co-Funded Programs:		
Child and Adult Care Food Program	\$ 5,000	\$ 20,241
Family Development and Self-Sufficiency	2,700	125
Maternal Infant & Early Childhood Home		
Visiting Program	100	16
Head Start	250	--
Outreach	421,034	425,783
Senior Aides	50,412	33,536
Women, Infants and Children	250	16
Emergency Food and Shelter Program	<u>--</u>	<u>29</u>
Total Expenditures	<u>\$ 479,746</u>	<u>\$ 479,746</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Education

Child and Adult Care Food Programs
Schedule of Expenditure Comparison - Budget to Actual
Day Care Homes - Contract 83-8011
For the Period from October 1, 2013 to September 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Personnel	\$ 140,701	\$ 128,933
Supplies	2,766	3,856
Transportation	4,508	3,112
Rent/utilities	5,053	5,222
Communications	3,129	2,393
Dues/fees/registrations	80	85
Contracted services/other	4,045	3,697
Indirect	15,055	13,796
	<u>175,337</u>	<u>161,094</u>
Food costs - home providers	828,967	819,768
Team Nutrition grant	200	200
	<u>1,004,504</u>	<u>981,062</u>
Total Expenditures		
Less:		
Supported by CSBG funds	<u>15,317</u>	<u>16,634</u>
Net Funded by Grant	<u>\$ 989,187</u>	<u>\$ 964,428</u>

Child and Adult Care Food Programs
Schedule of Expenditure Comparison - Budget to Actual
Child Care Centers - Contract 83-8010
For the Period from October 1, 2013 to September 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Wages	\$ 18,000	\$ --
Fringe benefits	4,802	--
Indirect	2,440	--
Food costs	313,524	261,745
Kitchen supplies and other costs	8,400	8,916
	<u>347,166</u>	<u>270,661</u>
Net Funded by Grant	<u>\$ 347,166</u>	<u>\$ 270,661</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Public Health

Special Supplemental Food Program for Women, Infants and Children
Contract 5884 A048

Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2013 to September 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Salaries and fringe benefits	\$ 324,584	\$ 277,950
Other	100,281	116,973
Indirect	34,730	29,741
Total	<u>459,595</u>	<u>424,664</u>
Less:		
Other revenue	--	3,883
Supported by CSBG funds	--	152
	<u>--</u>	<u>4,035</u>
Total Grant Expenditures	<u>\$ 459,595</u>	<u>\$ 420,629</u>

Breast Pump Expenses

Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2013 to September 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures	<u>\$ 7,000</u>	<u>\$ 9,567</u>

Iowa Department of Agriculture & Land Stewardship

Farmers Market

Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2013 to September 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures	<u>\$ 750</u>	<u>\$ 429</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Low Income Home Energy Assistance Program
Contract LIHEAP-14-17

Schedule of Expenditure Comparison - Budget to Actual
For the Period from October 1, 2013 to September 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Regular assistance	\$ 2,493,488	\$ 2,479,118
Emergency crisis intervention program	245,370	243,826
Summer deliverable fuel	309,446	309,446
Administration	<u>344,790</u>	<u>356,691</u>
Total Expenditures	3,393,094	3,389,081
Less:		
I Care support of program	--	900
Project Share support of program	--	400
Black Hills support of program	--	1,200
Local support of programs	<u>--</u>	<u>9,401</u>
	<u>--</u>	<u>11,901</u>
Total Grant Expenditures	<u>\$ 3,393,094</u>	<u>\$ 3,377,180</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Weatherization Assistance Programs
Contract HEAP 13-17

Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 1, 2013 to December 31, 2013

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 52,621	\$ 22,922
Health and safety	182,991	124,043
Support	236,876	108,722
Labor	246,278	84,277
Materials	246,278	80,227
Equipment/training	30,000	3,179
Pollution/mold insurance	<u>5,555</u>	<u>5,555</u>
Total Expenditures	1,000,599	428,925
Less:		
Revenue/loss sale of equipment	<u>--</u>	<u>12,726</u>
Total Grant Expenditures	<u>\$ 1,000,599</u>	<u>\$ 416,199</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Weatherization Assistance Programs
Contract DOE 12-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from April 1, 2012 to December 31, 2013

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 23,721	\$ 22,974
Health and safety	90,142	132,540
Support	113,863	190,453
Labor	123,351	69,582
Materials	<u>123,351</u>	<u>58,879</u>
Total Expenditures	<u>\$ 474,428</u>	<u>\$ 474,428</u>

Weatherization Assistance Programs
Contract DOE 13-17
Schedule of Expenditure Comparison - Budget to Actual
For the Period from August 1, 2013 to March 31, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 20,000	\$ 19,827
Health and safety	38,930	47,081
Support	50,415	69,248
Labor	52,654	40,042
Materials	<u>52,654</u>	<u>38,455</u>
Total Expenditures	<u>\$ 214,653</u>	<u>\$ 214,653</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights

Utility Weatherization Assistance Programs
Contract IPL-13-17

Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 1, 2013 to December 30, 2013

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 1,843	\$ 509
Support	3,686	5,020
Labor	15,666	14,989
Materials	<u>15,666</u>	<u>16,342</u>
Total Expenditures	<u>\$ 36,861</u>	<u>\$ 36,860</u>

Utility Weatherization Assistance Programs
Contract MEC-13-17

Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 1, 2013 to December 30, 2013

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 7,920	\$ 7,920
Support	15,839	15,794
Labor	67,314	70,087
Materials	<u>67,314</u>	<u>64,583</u>
Total Expenditures	<u>\$ 158,387</u>	<u>\$ 158,384</u>

Utility Weatherization Assistance Programs
Contract BHE-13-17

Schedule of Expenditure Comparison - Budget to Actual
For the Period from January 1, 2013 to December 30, 2013

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Administration	\$ 6,559	\$ 7,324
Support	13,119	10,980
Labor	55,755	52,485
Materials	<u>55,755</u>	<u>60,399</u>
Total Expenditures	<u>\$ 131,188</u>	<u>\$ 131,188</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
U.S. Department of Labor

Senior Service America, Inc.
Senior Aides (Title V) Program Grant
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2013 to June 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Personnel:		
Wages	\$ 318,858	\$ 317,772
Fringe benefits:		
FICA	24,397	24,314
Workers' compensation	7,836	7,853
Physicals	150	75
Program - Other:		
Sponsor staff cost	22,430	22,430
Transportation	1,750	2,962
Training	--	--
Other	--	--
Project Administration:		
Other admin costs	<u>88,619</u>	<u>88,614</u>
Total Expenditures	<u>\$ 464,040</u>	<u>\$ 464,020</u>
Local Expenditures:		
In-Kind:		
Host Agency Supervision	\$ 24,778	\$ 29,407
Space	22,000	23,812
Other	<u>4,000</u>	<u>21,981</u>
Total In-Kind	<u>\$ 50,778</u>	<u>\$ 75,200</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Services

Wrap Around Child Care Grant
Grant #DCFS 09-089-34

Schedule of Expenditure Comparison - Budget to Actual
For the Period from September 1, 2013 to August 31, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Wages	\$ 369,000	\$ 315,589
Fringe benefits	149,000	130,255
Travel and training	6,000	4,702
Repairs/maintenance	8,400	13,825
Rent	47,940	55,033
Utilities	6,400	7,111
Communications	9,000	8,344
Supplies	16,814	34,828
Insurance	1,020	1,873
Indirect	<u>55,426</u>	<u>47,705</u>
Total Expenditures	<u>\$ 669,000</u>	<u>\$ 619,265</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Services

Child Care Resource and Referral Program
Grant ACFS-12-095

Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2013 to June 30, 2014

	<u>Budget</u>	<u>Actual</u>
Child Care Resource and Referral Expenditures:		
Wages	\$ 289,314	\$ 279,156
Fringe benefits	120,318	106,663
Supplies	6,000	8,156
Printing/photocopy/postage/telephone	14,760	14,287
Travel	22,200	21,980
Dues and fees	6,240	5,289
Insurance	2,460	2,553
Space/utilities/maintenance	31,740	32,668
Advertising	6,000	603
Staff professional development	6,000	6,293
Provider training expense	58,718	55,495
Child net training	25,000	24,818
Indirect	<u>43,831</u>	<u>41,283</u>
Subtotal	632,581	599,244
Less:		
Training/other revenue	<u>--</u>	<u>1,037</u>
Total Child Care Resource and Referral Expenditures	<u>\$ 632,581</u>	<u>\$ 598,207</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Rights
Division of Community Action Agencies

Family Development and Self-Sufficiency Grant
Contract FaDSS-14-17

Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2013 to September 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Indirect costs - administrative	\$ 32,008	\$ 32,145
Personnel wages	211,608	212,203
Fringe benefits	87,532	88,220
Travel	18,194	17,768
Space costs/utilities	15,538	14,975
Telephone	3,480	4,053
Postage	450	497
Publications/dues	179	173
Bonding	1,680	1,642
Supplies/printing	16,060	13,639
Third-party payments	100	35
Other costs	<u>9,700</u>	<u>9,029</u>
Total Expenditures	396,529	394,379
Less:		
Other revenue	--	550
Supported by CSBG funds	<u>2,700</u>	<u>--</u>
Total Federal and State Expenditures	<u>\$ 393,829</u>	<u>\$ 393,829</u>
Support by In-Kind Revenue	<u>\$ 23,600</u>	<u>\$ 36,255</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Services

Early Childhood Iowa Programs
Pottawattamie Early Childhood Iowa
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2013 to June 30, 2014

	<u>Budget</u>	<u>Actual</u>
Quality Child Care Consultant Expenditures:		
Personnel wages	\$ 57,148	\$ 53,341
Fringe benefits	29,003	27,231
Supplies	3,240	2,581
Rent/insurance	18,320	19,151
Travel/training	2,574	1,668
Indirect	9,218	8,621
Total Expenditures	<u>\$ 119,503</u>	<u>\$ 112,593</u>
Provider Incentive Expenditures:		
Provider training	\$ 6,000	\$ 5,817
Provider incentive programs	107,765	106,685
CACFP tier payments	5,500	4,028
Total Expenditures	<u>\$ 119,265</u>	<u>\$ 116,530</u>

Boost 4 Families
Cass/Mills/Montgomery Early Childhood Iowa
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2013 to June 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Provider training	\$ 5,954	\$ 6,986
Provider incentive programs	46,000	36,626
Total Expenditures	<u>\$ 51,954</u>	<u>\$ 43,612</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Department of Human Services

Early Childhood Iowa Programs
Corner Counties Early Childhood Iowa
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2013 to June 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Provider training	\$ 5,515	\$ 5,515
Provider incentive programs	<u>20,000</u>	<u>19,710</u>
Total Expenditures	<u>\$ 25,515</u>	<u>\$ 25,225</u>

Harrison/Monona/Shelby Early Childhood Iowa
Schedule of Expenditure Comparison - Budget to Actual
For the Period from July 1, 2013 to June 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Provider training	\$ 3,000	\$ 2,500
Provider incentive programs	<u>18,000</u>	<u>17,249</u>
Total Expenditures	<u>\$ 21,000</u>	<u>\$ 19,749</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Iowa Community Action Association

Affordable Care Act Community Outreach Campaign
IID-ACA-13-14

Schedule of Expenditure Comparison - Budget to Actual
For the Period from December 20, 2013 to April 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Wages	\$ 19,311	\$ 15,582
Fringe benefits	8,584	5,862
Rent/Utilities/Insurance	3,750	4,076
Travel	1,416	273
Supplies	240	339
Photocopy/printing	2,550	898
Postage	3,600	2,505
Telephone/internet/fax	4,350	108
Indirect	<u>2,985</u>	<u>2,295</u>
Total Expenditures	46,786	31,938
Less:		
Supported by CSBG funds	<u>--</u>	<u>1,846</u>
Total Grant Expenditures	<u>\$ 46,786</u>	<u>\$ 30,092</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Promise Partners

Maternal Infant & Early Childhood Home Visiting Program
MIECHV

Schedule of Expenditure Comparison - Budget to Actual
For the Period from March 31, 2013 to March 30, 2014

	<u>Budget</u>	<u>Actual</u>
Expenditures:		
Personnel wages	\$ 76,949	\$ 70,232
Fringe benefits	39,134	32,272
Supplies	8,912	9,239
Consultants	400	--
Travel	6,284	6,287
Other	26,100	20,796
Indirect	<u>12,421</u>	<u>10,968</u>
Total Expenditures	170,200	149,794
Less:		
Supported by CSBG funds	<u>--</u>	<u>48</u>
Total Grant Expenditures	<u>\$ 170,200</u>	<u>\$ 149,746</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Schedule of Revenues and Expenses - Administrative Fund
Year Ended September 30, 2014

	<u>Miscellaneous</u>	<u>Indirect Cost Pool</u>	<u>Total</u>
Revenues:			
Public support and contributions	\$ 41,471	\$ --	\$ 41,471
Investment income	2,883	--	2,883
Miscellaneous	<u>112,897</u>	<u>--</u>	<u>112,897</u>
Total Revenues	<u>\$ 157,251</u>	<u>\$ --</u>	<u>\$ 157,251</u>
Expenses:			
Salaries and wages	\$ --	\$ 423,317	\$ 423,317
Fringe benefits	--	106,852	106,852
Assistance to individuals	978	--	978
Professional fees	1,254	35,104	36,358
Travel	2,925	11,933	14,858
Occupancy	46,747	18,454	65,201
Utilities and telephone	15,341	3,325	18,666
Supplies and materials	4,207	21,610	25,817
Building and equipment	12,678	8,543	21,221
Printing, publications and postage	22,872	22,762	45,634
Insurance	6,656	11,346	18,002
Interest expense	12,446	--	12,446
Miscellaneous	<u>3,954</u>	<u>7,631</u>	<u>11,585</u>
Total Expenses Before Allocation of Indirect Costs	130,058	670,877	800,935
Allocation of Indirect Costs	<u>--</u>	<u>(704,901)</u>	<u>(704,901)</u>
Total Expenses	<u>\$ 130,058</u>	<u>\$ (34,024)</u>	<u>\$ 96,034</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
Administrative Fund - Miscellaneous Detail
Year Ended September 30, 2014

	<u>Total</u>	<u>Corporate</u>
Revenues:		
Public support and contributions	\$ 41,471	\$ 41,471
Investment income	2,883	2,883
Miscellaneous	<u>112,897</u>	<u>12,308</u>
Total Revenues	157,251	56,662
Expenses:		
Assistance to individuals	978	978
Professional fees	1,254	1,254
Travel	2,925	2,925
Occupancy	46,747	13,157
Utilities and telephone	15,341	--
Supplies and materials	4,207	806
Building and equipment	12,678	--
Printing, publications, and postage	22,872	6,429
Insurance	6,656	--
Interest expense	12,446	1,161
Miscellaneous	<u>3,954</u>	<u>3,648</u>
Total Expenses	<u>130,058</u>	<u>30,358</u>
Excess of Revenues over Expenses	<u>\$ 27,193</u>	<u>\$ 26,304</u>

See accompanying independent auditor's report.

<u>Central Supply</u>	<u>Photocopy</u>	<u>Postage</u>	<u>Administrative Building</u>
\$ --	\$ --	\$ --	\$ --
--	--	--	--
<u>56,194</u>	<u>9,818</u>	<u>18,063</u>	<u>16,514</u>
56,194	9,818	18,063	16,514
--	--	--	--
--	--	--	--
--	--	--	--
33,590	--	--	--
15,341	--	--	--
255	2,930	216	--
--	6,888	1,450	4,340
46	--	16,397	--
6,656	--	--	--
--	--	--	11,285
306	--	--	--
<u>56,194</u>	<u>9,818</u>	<u>18,063</u>	<u>15,625</u>
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 889</u>

WEST CENTRAL COMMUNITY ACTION
 Schedule of Revenues and Expenditures
 Indirect Cost Allocations Pool
 For the Year Ended September 30, 2014

Revenues:

Other Revenue:		\$	--
Indirect Cost Reimbursements from Programs:			
Low Income Home Energy Assistance Program	\$	25,978	
Head Start		290,475	
Early Head Start		106,785	
Wrap Around Child Care Grant		46,543	
Women, Infants and Children		29,782	
Child and Adult Care Food Program - Homes		13,796	
Child Care Resource and Referral		40,927	
Family Development and Self-Sufficiency		32,572	
Senior Service America, Inc.		41,006	
Pottawattamie Early Childhood Iowa		8,712	
ACA Community Outreach Campaign		2,295	
State Early Head Start Funds		4,575	
Iowa Individual Assistance Grant		381	
Mother/Infant Home Visitation		199	
Tenant Based Rent Assistance		14	
Outreach Cost Allocation Pool		28,346	
Maternal Infant and Early Childhood Home Visitation		12,054	
Weatherization Cost Allocation Pool		20,461	
Total Indirect Cost Reimbursements from Programs			704,901
Total Support and Revenues			704,901

(continued next page)

WEST CENTRAL COMMUNITY ACTION
Schedule of Revenues and Expenditures - Continued
Indirect Cost Allocations Pool
For the Year Ended September 30, 2014

Expenditures:	
Salaries and wages	\$ 423,317
Fringe benefits	106,852
Supplies	16,170
Rent	18,454
Equipment	8,512
Travel	5,952
Telephone	3,325
Advertising	1,844
Photocopy	6,716
Postage	7,707
Subscriptions/publications	1,137
Computer expenses	6,340
Dues/fees/registration	7,202
Audit and professional fees	34,204
Insurance	11,346
Board expenses	5,981
Training	4,805
Building maintenance	31
Direct deposit fees	982
Total Expenditures	<u>670,877</u>
Excess of Revenues Over Expenditures	34,024
Net Assets - Beginning of Year	<u>284,787</u>
Net Assets - End of Year	<u>\$ 318,811</u>

See accompanying independent auditor's report.

WEST CENTRAL COMMUNITY ACTION
 Schedule of Revenues and Expenditures
 Indirect Reimbursement from Programs
 For the Year Ended September 30, 2014

<u>Program</u>	<u>Wages and Fringe Benefits</u>	<u>Indirect Cost</u>
Low Income Home Energy Assistance Program	\$ 242,784	\$ 25,978
Head Start	2,714,724	290,475
Early Head Start	997,987	106,785
Wrap Around Child Care Grant	434,980	46,543
Women, Infants and Children	278,337	29,782
Child and Adult Care Food Program - Homes	128,933	13,796
Child Care Resource and Referral	382,498	40,927
Family Development and Self-Sufficiency	304,413	32,572
Senior Service America, Inc.	383,237	41,006
Pottawattamie Early Childhood Iowa	81,424	8,712
ACA Community Outreach Campaign	21,444	2,295
State Early Head Start Funds	42,757	4,575
Iowa Individual Assistance Grant	3,563	381
Mother/Infant Home Visitation	1,864	199
Tenant Based Rent Assistance	129	14
Outreach Cost Allocation Pool	264,914	28,346
Maternal Infant and Early Childhood Home Visitation	112,651	12,054
Weatherization Cost Allocation Pool	185,450	20,461
	<u>\$ 6,582,089</u>	<u>\$ 704,901</u>

See accompanying independent auditor's report.

COMMENTS AND RECOMMENDATIONS

Gronewold, Bell, Kyhnn & Co. P.C.

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Independent Auditor's Report on Internal Control over Financial Reporting
and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

To the Board of Directors of
West Central Community Action
Harlan, Iowa

We have audited the financial statements of West Central Community Action as of and for the year ended September 30, 2014, and the related notes to the financial statements and have issued our report thereon dated January 27, 2015. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered West Central Community Action's internal control over financial reporting to determine the audit procedures appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of West Central Community Action's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined below.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility a material misstatement of the Agency's financial statements will not be prevented or detected and corrected on a timely basis.

To the Board of Directors of
West Central Community Action

A significant deficiency is a deficiency, or combination of deficiencies, in internal control which is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether West Central Community Action's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Armenoid, Bell, Hyman . Co. P.C.

Atlantic, Iowa
January 27, 2015

Gronewold, Bell, Kyhnn & Co. P.C.

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Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance In Accordance With OMB Circular A-133

To the Board of Directors of
West Central Community Action
Harlan, Iowa

Report on Compliance for Each Major Federal Program

We have audited West Central Community Action's compliance with the types of compliance requirements described in *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of West Central Community Action's major federal programs for the year ended September 30, 2014. The Agency's major federal programs are identified in the summary of the independent auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management of West Central Community Action is responsible for compliance with the requirements of laws, regulations, contracts and grant agreements applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Agency's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Agency's compliance.

To the Board of Directors of
West Central Community Action

Opinion on Each Major Federal Program

In our opinion, West Central Community Action complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2014.

Report on Internal Control Over Compliance

Management of West Central Community Action is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Annunzio, Bell, Thyer & Co. P.C.

Atlantic, Iowa
January 27, 2015

WEST CENTRAL COMMUNITY ACTION

Schedule of Findings and Questioned Costs

Year ended September 30, 2014

PART I: Summary of the Independent Auditor's Results

Financial Statements

(a) Type of auditor's report issued:

- Unmodified

(b) Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

(c) Noncompliance material to financial statements noted?

☐ yes ☒ no

Federal Awards

(d) Internal control over major programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified? ☐ yes ☒ none reported

(e) Type of auditor's report issued on compliance for major programs:

- Unmodified

(f) Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of the OMB Circular A-133?

☐ yes ☒ no

(g) Identification of major programs:

Head Start Cluster:

- CFDA Number 93.600

Child and Adult Care Food Program:

- CFDA Number 10.558

Child Care and Development Block Grant:

- CFDA Number 93.575

(h) Dollar threshold used to distinguish between Type A and Type B programs: \$396,670.

(i) Auditee qualified as low-risk auditee?

☒ yes ☐ no

WEST CENTRAL COMMUNITY ACTION

Schedule of Findings and Questioned Costs

Year ended September 30, 2014

Part II: Findings Related to the Financial Statements

INSTANCES OF NON-COMPLIANCE:

No matters were reported.

INTERNAL CONTROL DEFICIENCIES:

No matters were reported.

Part III: Findings and Questioned Costs for Federal Awards

INSTANCES OF NON- COMPLIANCE:

No matters were reported.

INTERNAL CONTROL DEFICIENCIES:

No matters were reported.

Part IV: Other Findings Related to Required Statutory Reporting:

No findings were noted for the year ended September 30, 2014.

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